Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of Petition of WorldCom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Expedited Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc., and for Expedited Arbitration	)	CC Docket No. 00-218
In the Matter of Petition of Cox Virginia Telecom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc. and for Arbitration	)	CC Docket No. 00-249
In the Matter of Petition of AT&T Communications of Virginia Inc., Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia Corporation Commission Regarding Interconnection Disputes With Verizon Virginia Inc.	)	CC Docket No. 00-251

VERIZON'S PROPOSED AGREEMENT WITH AT&T
**Updated Exhibit C-3 to Verizon VA's Answer to AT&T Request for Arbitration*

INTERCONNECTION AGREEMENT UNDER SECTIONS 251 AND 252 OF THE TELECOMMUNICATIONS ACT OF 1996

Dated as of [TBD]

by and between

VERIZON VIRGINIA INC.

and

AT&T COMMUNICATIONS OF VIRGINIA, INC.

INTERCONNECTION AGREEMENT UNDER SECTIONS 251 AND 252 OF THE TELECOMMUNICATIONS ACT OF 1996

This Interconnection Agreement under Sections 251 and 252 of the Telecommunications Act of 1996, is effective as of the [TBD] day of ____, 2001 (the "Effective Date"), by and between Verizon Virginia Inc. (f/k/a Bell Atlantic - Virginia, Inc.)("Verizon"), a Virginia corporation with offices at 600 East Main Street, 11th Floor, Richmond, Virginia 23219, and AT&T Communications of Virginia, Inc. ("AT&T"), a Virginia corporation with offices at 3033 Chain Bridge Road, Oakton, Virginia 22185 (the "Parties").

WHEREAS, the Federal Communications Commission (the "FCC") has issued rules to implement the Telecommunications Act of 1996 (as amended or modified from time to time, the "Act") (including In the Matter of the Local Competition Provisions in the Telecommunications Act of 1996, FCC 96-325 (hereinafter, as amended, modified, stayed or reconsidered from time to time, the "Order"); and

WHEREAS, the Parties want to interconnect their networks at mutually agreed upon points of interconnection to provide Telephone Exchange Services, Switched Exchange Access Services, and other Telecommunications Services (all as defined below) to their respective customers.

NOW, THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, AT&T and Verizon hereby agree as follows:

1.0 DEFINITIONS

As used in this Agreement, the following terms shall have the meanings specified below in this Section 1. All capitalized terms used but not defined shall have the meanings set forth in the Act.

1.1 "Act" means the Communications Act of 1934 (47 U.S.C. 151 et seq.), as from time to time amended (including, without limitation, by the Telecommunications Act of 1996), and as from time to time interpreted in the duly authorized rules and regulations of the FCC or the Commission.

1.2 "ADSL" or "Asymmetrical Digital Subscriber Line" means a transmission technology on twisted pair copper Loop plant, which transmits an asymmetrical digital signal of up to 6 mbps to the Customer and up to 640 kbps from the Customer, as specified in ANSI standards T1.413-1998 and Bell Atlantic Technical Reference TR-72575.

1.3 [Intentionally deleted.]

1.4 "Agreement" means this Interconnection Agreement including all Exhibits, Schedules, addenda, and attachments referenced herein and/or appended hereto.

1.5 "Ancillary Traffic," means all traffic that is destined for ancillary services, or that may have special billing requirements, including but not limited to the following: BLV/BLVI, Directory Assistance, 911/E911, Operator Services (IntraLATA call completion), IntraLATA third party, collect and calling card, 8YY database query, LIDB, and information services requiring special billing as described in section 7.1.

1.6 "Applicable Laws" or "Law" means all laws, rules, regulations, and orders (state or federal) which are applicable to each Party's performance of its obligations hereunder.

1.7 [Intentionally deleted.]

1.8 [Intentionally deleted.]

1.9 "Automatic Number Identification" or "ANI" means a signaling parameter which refers to the number transmitted through a network identifying the billing number of the calling party.

1.10 "Bona Fide Request" or "BFR" means the process as described in Exhibit B that prescribes the terms and conditions relating to AT&T's request that Verizon provide unbundled Network Elements or Combinations that it is not otherwise required to provide under the terms of this Agreement.

1.11 "Busy Line Verification" or "BLV" means an operator request for a status check on the line of a called party. The request is made by one Party's operator to an operator of the other Party. The verification of the status check is provided to the requesting operator.

1.12 "Busy Line Verification Interrupt" or "BLVI" means a service that may be requested and provided when BLV has determined that a line is busy due to an ongoing call. BLVI is an operator interruption of that ongoing call to inform the called party that a calling party is seeking to complete his or her call to the called party.

1.12(a) "Call Detail Information" means the usage information for either a Verizon resold local exchange dial tone line or unbundled Local Switching port purchased by AT&T under this Agreement that Verizon would record if Verizon was furnishing such Verizon retail local exchange dial tone line service to a Verizon end-user retail Customer.

1.13 "Calling Party Number" or "CPN" is a Common Channel Signaling ("CCS") parameter which refers to the number transmitted through a network identifying the calling party.

1.14 "Central Office Switch" means a switch used to provide Telecommunications Services, including, but not limited to:

(a) an "End Office Switch" or "End Office" which is a switching entity that is used to terminate Customer station Loops for the purpose of interconnection

to each other and to trunks. An "End Office Host" is an End Office that has the capability of supporting other switching entities in a Host-Remote relationship by providing "Host" functionalities to those remote entities; "End Office Remote" is an End Office that is not an End Office Host; and

(b) a "Tandem Switch" or "Tandem Office" or "Tandem" which is a switching entity that has billing and recording capabilities and is used to connect and switch trunk circuits between and among End Office Switches and between and among End Office Switches and carriers' aggregation points, points of termination, or points of presence, and to provide Switched Exchange Access Services.

A Central Office Switch may also be employed as a combination End Office/Tandem Office Switch or 911 tandem.

1.15 "CLASS (Custom Local Access Signaling Service) Features" means certain CCS-based features available to Customers including, but not limited to: Automatic Call Back; Call Trace; Caller Identification, and future CCS-based offerings.

1.16 "Collocation" means an arrangement in which the equipment of one Party (the "Collocating Party") is installed and maintained at the premises of the second Party (the "Housing Party") for the purpose of Interconnection with the Housing Party or access to the unbundled Network Element of Verizon.

1.17 "Commission" means the Virginia State Corporation Commission.

1.18 "Common Channel Signaling" or "CCS" means a method of transmitting call set-up and network control data over a digital signaling network separate from the public switched telephone network facilities that carry the actual voice or data traffic of the call. "SS7" means the common channel out of band signaling protocol developed by the Consultative Committee for International Telephone and Telegraph ("CCITT") and the American National Standards Institute ("ANSI"). Verizon and AT&T currently utilize this out-of-band signaling protocol. "CCSAC" or "CCSAS" means the Common Channel Signaling access connection or service, respectively, which connects one Party's signaling point of Interconnection ("SPOI") to the other Party's STP for the exchange of SS7 messages.

1.19 "Competitive Local Exchange Carrier" or "CLEC" means any Local Exchange Carrier other than Verizon, operating as such in Verizon's certificated territory in Virginia. For purposes of this Agreement, AT&T is a CLEC.

1.19(a) "Contract Period", as used in Section 12 and Section 22, means a stated period or minimum period of time for which AT&T is required by this Agreement to subscribe to, use and/or pay for a Resold Service.

1.20 "Cross Connection" means a jumper cable, or similar connection provided with a Collocation arrangement at the digital signal cross connect, Main Distribution Frame or other suitable frame or panel between (i) the Collocating Party's equipment and (ii) the equipment or facilities of the Housing Party.

1.21 "Customer" means a third-party residence or business end-user subscriber to Telecommunications Services provided by either of the Parties, provided, however, the term "Customer" does not include a Party.

1.22 "Days" shall mean calendar days unless otherwise designated as "business days".

1.23 [Intentionally deleted.]

1.24 [Intentionally deleted.]

1.25 "Digital Signal Level" means one of several transmission rates in the time-division multiplex hierarchy.

1.26 "Digital Signal Level 0" or "DS0" means the 64 Kbps zero-level signal in the time-division multiplex hierarchy.

1.27 "Digital Signal Level 1" or "DS1" means the 1.544 Mbps first-level signal in the time-division multiplex hierarchy.

1.28 "Digital Signal Level 3" or "DS3" means the 44.736 Mbps third-level in the time-division multiplex hierarchy

1.29 "8YY" refers to toll free service area codes and includes the existing 800, 888, 877, 866, and 855 toll free service access codes and such other future toll free service access codes as may be approved by the Industry Numbering Committee or its successor.

1.30 "Entrance Facility" means the facility between a Party's designated premises and the Central Office serving that designated premises.

1.31 "Exchange Message Interface" or "EMI" means the standard used for exchange of Telecommunications message information among Telecommunications Carriers for billable, non-billable, sample, settlement, and study data. EMI format is contained in SR-320 published by the Alliance for Telecom Industry Solutions.

1.31(a) "Extended Local Calling Scope Arrangement" means an arrangement that provides a Customer a local calling scope (Extended Area Service, "EAS"), outside of the Customer's basic exchange serving area. Extended Local Calling Scope Arrangements may be either optional or non-optional. "Optional Extended Local Calling Scope Arrangement Traffic" is traffic that under an optional Extended Local Calling Scope Arrangement chosen by the Customer terminates outside of the Customer's basic exchange serving area.

1.32 "FCC" means the Federal Communications Commission.

1.32(a) "FCC Internet Order" means Order on Remand and Report and Order, *In the Matter of Implementation of the Local Competition Provisions in the*

Telecommunications Act of 1996, Intercarrier Compensation for ISP Bound Traffic, FCC 01-131, CC Docket Nos. 96-98 and 99-68, (adopted April 18, 2001).

1.33 "FCC Regulations" means the regulations duly and lawfully promulgated by the FCC, as in effect from time to time.

1.34 "HDSL" or "High-Bit Rate Digital Subscriber Line" means a transmission technology which transmits up to a DS-1-level signal using any one of the following line codes: 2 Binary / 1 Quartenary ("2B1Q"). Carrierless AM/PM, Discrete Multitone ("DMT"), or 3 Binary / 1 Octal ("3B1Q").

1.35 [Intentionally deleted.]

1.36 "Independent Telephone Company" or "ITC" means any entity other than Verizon which, with respect to its operations within Virginia, is an Incumbent Local Exchange Carrier.

1.37 "Information Services Traffic" means Reciprocal Compensation Traffic or IntraLATA Toll Traffic which originates on a Telephone Exchange Service line and which is addressed to an information service provided over a Party's information services platform (e.g., 540, 550, 976, 940, and 970).

1.38 "Inside Wire" or "Inside Wiring" means all wire, cable, terminals, hardware, and other equipment or materials on the Customer's side of the Rate Demarcation Point.

1.39 "Integrated Digital Loop Carrier" or "IDLC" means a subscriber Loop carrier system which integrates within the switch at a DS1 level that is twenty-four (24) Loop transmission paths combined into a 1.544 Mbps digital signal.

1.40 "Integrated Services Digital Network" or "ISDN" means a switched network service providing end-to-end digital connectivity for the simultaneous transmission of voice and data. Basic Rate Interface-ISDN ("BRI-ISDN") provides for digital transmission of two 64 kbps bearer channels and one 16 kbps data and signaling channel (2B+D). Primary Rate Interface-ISDN ("PRI-ISDN") provides for digital transmission of twenty three (23) 64 kbps bearer channels and one (1) 64 kbps data and signaling channel (23 B+D).

1.41 [Intentionally deleted.]

1.42 "Interexchange Carrier" or "IXC" means a carrier that provides, directly or indirectly, interLATA and in some instances intraLATA Telephone Toll Services.

1.43 "Interim Number Portability" or "INP" means the use of existing and available call routing, forwarding, and addressing capabilities (e.g. remote call forwarding) to enable a Customer to receive Telephone Exchange Service provided by any Local Exchange Carrier operating within the exchange area with which the Customer's telephone number(s) is associated, without having to change the telephone

number presently assigned to the Customer and regardless of whether the Customer's chosen Local Exchange Carrier is the carrier that originally assigned the number to the Customer.

1.44 "Internet Traffic" means any traffic that is transmitted to or returned from the Internet at any point during the duration of the transmission.

1.44(a) "Internet Service Provider ("ISP")" is an entity that provides its customers the ability to obtain on-line information through the Internet.

1.45 "IntraLATA Toll Traffic" means those intraLATA calls, if any, that are not defined as Reciprocal Compensation Traffic, Measured Internet Traffic or Ancillary Traffic in this Agreement.

1.45(a) "IP" or "Interconnection Point" means the point at which a Party who receives Reciprocal Compensation Traffic originating on the network of the other Party assesses Reciprocal Compensation charges for the further transport and termination of that Reciprocal Compensation Traffic.

1.45(b) "Jurisdiction" means the Commonwealth of Virginia.

1.46 "Line sharing" is an arrangement by which Verizon facilitates AT&T's provision of ADSL (in accordance with T1.413), Splitterless ADSL (in accordance with T1.419), RADSL (in accordance with TR # 59), MVL (a proprietary technology), or any other xDSL technology that is presumed to be acceptable for shared line deployment in accordance with FCC rules, to a particular Customer location over an existing copper Loop that is being used simultaneously by Verizon to provide analog circuit-switched voice grade service to that Customer by making available to AT&T, solely for AT&T's own use for provisioning those Advanced Services that are presumed to be acceptable for shared line deployment in accordance with FCC rules ("Advanced Services"), the frequency range above the voice band on the same copper Loop required by AT&T to provide such services. This Agreement addresses line sharing over loops that are entirely copper loops. The Parties do not intend anything in this Agreement to prejudice either AT&T's position that line sharing may occur on loops constructed of fiber optic cable, digital loop carrier electronics, and copper distribution cable or Verizon's position that line sharing can only occur over copper loops or copper sub-loops.

1.47 "Line Side" means an End Office Switch connection that provides transmission, switching and optional features suitable for Customer connection to the public switched network, including loop start supervision, ground start supervision, and signaling for basic rate ISDN service.

1.48 "Line Splitting" is an arrangement by which AT&T, at its Collocation arrangement or the Collocation arrangement provided by Verizon to another CLEC, facilitates that CLEC's provision of ADSL (in accordance with T1.413) or any other xDSL technology that is presumed to be acceptable for shared line deployment in accordance with FCC rules, to a particular AT&T Customer over the high frequency range portion of an existing copper xDSL compatible Loop (i.e. compatible with an

xDSL service that is presumed to be acceptable for shared line deployment in accordance with FCC rules) ("data channel") provided by Verizon that is used simultaneously by AT&T to provide analog circuit-switched voice grade service to that Customer through the provision of unbundled Local Switching.

1.49 [Intentionally deleted]

1.50 [Intentionally deleted]

1.51 [Intentionally deleted]

1.51(a) "Loop" means a transmission path that extends from a Main Distribution Frame, DSX panel or functionally comparable piece of equipment in a Customer's serving End Office to the Rate Demarcation Point (or NID if installed at the Rate Demarcation Point) in or at the Customer's premises. The actual transmission facilities used to provide a Loop may utilize any of several technologies.

1.51(b) "Loop Demarcation Point" or "Rate Demarcation Point" means the physical point in a Verizon-provided network facility at which Verizon's responsibility for maintaining the network facility ends and the Customer's responsibility for maintaining the remainder of the facility begins, as set forth in Verizon's applicable Tariffs, if any, or as otherwise prescribed under Applicable Law.

1.51(c) "Loss" or "Losses" means any and all losses, costs (including court costs), claims, damages (including fines, penalties, and criminal or civil judgments and settlements), injuries, liabilities and expenses (including attorneys' fees).

1.52 "Main Distribution Frame" or "MDF" means the primary point at which outside plant facilities terminate within a Wire Center for interconnection to other telecommunications facilities within the Wire Center.

1.52(a) "Measured Internet Traffic" means dial-up, switched Internet Traffic originated by a Customer of one Party on that Party's network at a point in a Verizon local calling area, and delivered to a Customer or an Internet Service Provider served by the other Party, on that other Party's network at a point in the same Verizon local calling area. Verizon local calling areas shall be as defined by Verizon. For the purposes of this definition, a Verizon local calling area includes a Verizon non-optional Extended Local Calling Scope Arrangement, but does not include a Verizon optional Extended Local Calling Scope Arrangement. Calls originated on a 1+ presubscription basis, or on a casual dialed (10XXX/101XXXX) basis, are not considered Measured Internet Traffic.

1.53 "MECAB" means the Multiple Exchange Carrier Access Billing (MECAB) document prepared by the Billing Committee of the Ordering and Billing Forum ("OBF"), which functions under the auspices of the Carrier Liaison Committee ("CLC") of the Alliance for Telecommunications Industry Solutions ("ATIS"). The MECAB document, published by Bellcore as Special Report SR-BDS-000983, contains

the recommended guidelines for the billing of an Exchange Access service provided by two or more LECs, or by one LEC in two or more states, within a single LATA.

1.54 "MECOD" means the Multiple Exchange Carriers Ordering and Design (MECOD) Guidelines for Access Services - Industry Support Interface, a document developed by the Ordering/Provisioning Committee under the auspices of OBF. The MECOD document, published by Bellcore as Special Report SR-STS-002643, establishes methods for processing orders for Exchange Access service which is to be provided by two or more LECs.

1.55 "Meet-Point Billing" or "MPB" means an arrangement whereby two or more LECs jointly provide to a third party (e.g. an Interexchange Carrier) the transport element of a Switched Exchange Access Service to one of the LECs' End Office Switches, with each LEC receiving an appropriate share of the transport element revenues as defined by their effective Exchange Access tariffs, and as also outlined in the MECAB guidelines. "Meet-Point Billing Traffic" means traffic that is subject to an effective Meet-Point Billing arrangement.

1.56 "Mid-Span Fiber Meet" means an Interconnection architecture whereby two carriers' transmission facilities meet at a mutually agreed-upon point of Interconnection ("POI").

1.57 [Intentionally deleted.]

1.58 [Intentionally deleted.]

1.59 "Network Interface Device" or "NID" means an interface provided by a Telecommunications Carrier, including all features, functions and capabilities of such interface, and terminating such Carrier's telecommunications network on the property where a Customer's service is located at a point determined by such Carrier. The NID contains an FCC Part 68 registered jack from which Inside Wire may be connected to the other Party's network.

1.60 "North American Numbering Plan" or "NANP" means the numbering plan used in the United States that also serves Canada, Bermuda, Puerto Rico and certain Caribbean Islands. The NANP format is a 10-digit number that consists of a 3-digit NPA code (commonly referred to as the area code), followed by a 3-digit NXX code and 4-digit line number.

1.61 "Numbering Plan Area" or "NPA" is also sometimes referred to as an area code. There are two general categories of NPAs, "Geographic NPAs" and "Non-Geographic NPAs." A Geographic NPA is associated with a defined geographic area, and all telephone numbers bearing such NPA are associated with services provided within that geographic area. A Non-Geographic NPA, also known as a "Service Access Code" or "SAC Code," is typically associated with a specialized telecommunications service which may be provided across multiple geographic NPA areas; 8YY, 900, 700, 500 and 888 are examples of Non-Geographic NPAs.

1.62 "NXX," "NXX Code," or "End Office Code" means the three digit switch entity indicator (i.e. the first three digits of a seven digit telephone number).

1.62(a) "Operator Services" means (a) services accessed by dialing 411, 555-1212, 1-555-1212, 0+ local, 0+ intraLATA, and, 0-; and, (b) any other automated or live operator or directory assistance service.

1.62(b) "Order" means an order or application.

1.63 "Point of Interconnection" or "POI" means the physical location where the originating Party's facilities physically interconnect with the terminating Party's facilities for the purpose of exchanging traffic.

1.64 "Port Element" or "Port" means a line card (or equivalent) and associated peripheral equipment on an End Office Switch which interconnects individual Loops or individual Customer trunks and the switching components of an End Office Switch and the associated switching functionality in that End Office Switch. Each Port is typically associated with one (or more) telephone number(s) which serves as the Customer's network address. The Port Element is part of the provision of unbundled local Switching Element.

1.65 "Rate Center Area" or "Exchange Area" means the geographic area that has been identified by a given LEC as being associated with a particular NPA-NXX code assigned to the LEC for its provision of Telephone Exchange Services. The Rate Center Area is the exclusive geographic area which the LEC has identified as the area within which it will provide Telephone Exchange Services bearing the particular NPA-NXX designation associated with the specific Rate Center Area.

1.65(a) A "Rate Center Point" is a specific geographic point, defined by a V&H coordinate, located within the Rate Center Area and used to measure distance for the purpose of billing Customers for distance-sensitive Telephone Exchange Services and Toll Traffic.

1.66 [Intentionally omitted]

1.67 "Rating Point" or "Routing Point" means a specific geographic point identified by a specific V&H coordinate. The Routing Point is used to route inbound traffic to specified NPA-NXXs and Rating Point is used to calculate mileage measurements for distance-sensitive transport charges of switched access services. Pursuant to Bellcore Practice BR-795-100-100, the Rating Point may be an End Office location, or a "LEC Consortium Point of Interconnection." Pursuant to that same Bellcore Practice, examples of the latter shall be designated by a common language location identifier ("CLLI") code with (x)KD in positions 9, 10, 11, where (x) may be any alphanumeric A-Z or 0-9. The Rating Point/Routing Point must be located within the LATA in which the corresponding NPA-NXX is located. However, the Rating Point/Routing Point associated with each NPA-NXX need not be the same as the corresponding Rate Center Point, nor must it be located within the corresponding Rate

Center Area, nor must there be a unique and separate Rating Point corresponding to each unique and separate Rate Center.

1.68 "Reciprocal Compensation" means the arrangement for recovering, in accordance with Section 251(b)(5) of the Act, the FCC Internet Order, and other applicable FCC orders and FCC Regulations, costs incurred for the transport and termination of Reciprocal Compensation Traffic originating on one Party's network and terminating on the other Party's network and refers to the payment arrangements set forth in Subsection 5.7 below.

1.68(a) "Reciprocal Compensation Traffic" means Telecommunications traffic originated by a Customer of one Party on that Party's network and terminated to a Customer of the other Party on that other Party's network, except for Telecommunications traffic that is interstate or intrastate Exchange Access, or exchange services for Exchange Access. The determination of whether Telecommunications traffic is Exchange Access shall be based upon Verizon's local calling areas as defined by Verizon. Reciprocal Compensation Traffic does not include: (1) any Measured Internet Traffic; (2) traffic that does not originate and terminate within the same Verizon local calling area as defined by Verizon; (3) Toll Traffic, including, but not limited to, calls originated on a 1+ presubscription basis, or on a casual dialed (10XXX/101XXXX) basis; (4) Optional Extended Local Calling Scope Arrangement Traffic; (5) special access, private line, Frame Relay, ATM, or any other traffic that is not switched by the terminating Party; (6) Tandem Transit Traffic; or, (7) Voice Information Service Traffic (as defined in this Agreement). For the purposes of this definition, a Verizon local calling area includes a Verizon non-optional Extended Local Calling Scope Arrangement, but does not include a Verizon optional Extended Local Calling Scope Arrangement.

1.69 "Retail Prices" means the prices at which Verizon retail Telecommunications Services are provided by Verizon at retail to subscribers who are not Telecommunications Carriers.

1.70 "Service" means any Interconnection arrangement, Network Element, Telecommunications Service, Collocation arrangement, or other service, facility or arrangement, offered for sale by a Party under this Agreement.

1.71 "Service Control Point" or "SCP" means the node in the Common Channel Signaling network to which informational requests for service handling, such as routing, are directed and processed. The SCP is a real time database system that, based on a query from a service switching point ("SSP") and via a Signaling Transfer Point, performs subscriber or application-specific service logic, and then sends instructions back to the SSP on how to continue call processing.

1.72 "Signaling Transfer Point" or "STP" means a packet switch in the CCS network that is used to route signaling messages among SSPs, SCPs and other STPs in order to set up calls and to query databases for advanced services. Verizon's network includes mated pairs of local and regional STPs. STPs are provided in pairs for

redundancy. Verizon STPs conform to ANSI T1.111-8 standards. It provides SS7 Network Access and performs SS7 message routing and screening.

1.72(a) [Intentionally deleted.]

1.73 "Switched Access Detail Usage Data" means a category 1101XX record as defined in the EMI Bellcore Practice BR-010-200-010.

1.74 "Switched Access Summary Usage Data" means a category 1150XX record as defined in the EMI Bellcore Practice BR-010-200-010.

1.75 "Switched Exchange Access Service" means the offering of transmission and switching services for the purpose of the origination or termination of Toll Traffic. Switched Exchange Access Services include but may not be limited to: Feature Group A, Feature Group B, Feature Group D, 700 access, 8YY access, and 900 access.

1.76 "Synchronous Optical Network" or "SONET" is the North American standard for the transmission of high capacity bandwidth over optical facilities.

1.77 "Tariff" means any applicable federal or state tariff of a Party, as may be amended by the Party from time to time, under which a Party offers a particular service, facility, or arrangement. A Tariff shall not include any "Statement of Generally Available Terms and Conditions" ("SGAT") which Verizon has filed or may file pursuant to Section 252(f) of the Communications Act of 1934, 47 U.S.C. § 252(f).

1.78 [Intentionally deleted.]

1.79 [Intentionally deleted.]

1.80 [Intentionally deleted.]

1.81 [Intentionally deleted.]

1.82 [Intentionally deleted.]

1.83 [Intentionally deleted.]

1.84 [Intentionally deleted.]

1.85 "Termination Date Verizon Service" means: (a) any Resold Service being provided by Verizon under this Agreement at the time of termination of this Agreement, that at the time of termination of this Agreement is subject to a Contract Period which is greater than one (1) month; and, (b) any Resold Service requested by AT&T under this Agreement in an Order accepted by Verizon prior to termination of this Agreement but not yet being provided by Verizon at the time of termination of this Agreement, that is subject to an initial Contract Period which is greater than one (1) month.

1.85(a) "Toll Traffic" means traffic that is originated by a Customer of one Party on that Party's network and terminates to a Customer of the other Party on that Party's network and is not Reciprocal Compensation Traffic, Measured Internet Traffic or Ancillary Traffic. Toll Traffic may be either "IntraLATA Toll Traffic" or "InterLATA Toll Traffic," depending on whether the originating and terminating points are within the same LATA.

1.86 [Intentionally deleted.]

1.87 "Tandem Transit Traffic" or "Transit Traffic" means Telephone Exchange Service traffic that originates on AT&T's network (either as a facilities-based carrier or through AT&T's purchase of unbundled Network Elements), and is transported through a Verizon Tandem to the Central Office of a CLEC, ITC, Commercial Mobile Radio Service ("CMRS") carrier, or other LEC that subtends the relevant Verizon Tandem to which AT&T delivers such traffic substantially unchanged. In these cases, neither the originating nor terminating Customer is a Customer of Verizon. "Transit Traffic" and "Tandem Transit Traffic" do not include or apply to traffic that is subject to an effective Meet-Point Billing Arrangement.

1.87(a) "Traffic Factor 1" means (for traffic exchanged via Traffic Exchange Trunks) a percentage calculated by dividing the number of minutes of interstate traffic (excluding Measured Internet Traffic) by the total number of minutes of interstate and intrastate traffic. ([Interstate Traffic Total Minutes of Use {excluding Measured Internet Traffic Total Minutes of Use} ÷ {Interstate Traffic Total Minutes of Use + Intrastate Traffic Total Minutes of Use}] x 100). Until the form of a Party's bills is updated to use the term "Traffic Factor 1," the term "Traffic Factor 1" may be referred to on the Party's bills and in billing related communications as "Percent Interstate Usage" or "PIU."

1.87(b) "Traffic Factor 2" means (for traffic exchanged via Traffic Exchange Trunks) a percentage calculated by dividing the combined total number of minutes of Reciprocal Compensation Traffic and Measured Internet Traffic by the total number of minutes of intrastate traffic and Measured Internet Traffic. ([{Reciprocal Compensation Traffic Total Minutes of Use + Measured Internet Traffic Total Minutes of Use} ÷ {Intrastate Traffic Total Minutes of Use + Measured Internet Traffic Total Minutes of Use}] x 100). Until the form of a Party's bills is updated to use the term "Traffic Factor 2," the term "Traffic Factor 2" may be referred to on the Party's bills and in billing related communications as "Percent Local Usage" or "PLU."

1.88 "Trunk Side" means a Central Office Switch connection that is capable of, and has been programmed to treat the circuit as, connecting to another switching entity (e.g. another carrier's network). Trunk Side connections offer those transmission and signaling features appropriate for the connection of switching entities.

1.89 [Intentionally deleted.]

1.90 [Intentionally deleted.]

1.91 "Voice Grade" means either an analog signal of 300 to 3000 Hz or a digital signal of 56/64 kilobits per second. When referring to digital Voice Grade service (a 56/64 kbps channel), the terms "DS-0" or "sub-DS-1" may also be used.

1.91(a) [Intentionally deleted.]

1.92 "Wire Center" means a building or portion of a building which serves as a Routing Point for Switched Exchange Access Service. The Wire Center serves as the premises for one or more Central Offices.

2.0 INTERPRETATION AND CONSTRUCTION

2.1 All references to Sections, Attachments, Exhibits and Schedules shall be deemed to be references to Sections, Attachments, Exhibits and Schedules to this Agreement unless the context shall otherwise require or as specifically provided herein. The headings used in this Agreement are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning of this Agreement. Unless the context shall otherwise require or as otherwise specifically provided herein, any reference to any agreement, other instrument (including Verizon or other third party offerings, guides or practices), statute, regulation, rule or Tariff is to such agreement, other instrument, statute, regulation, rule or Tariff, as amended and supplemented from time to time (and, in the case of a statute, regulation, rule or Tariff, to any successor provision).

2.2 The terms and conditions of any and all Attachments, Schedules and Exhibits hereto, as amended from time to time by mutual agreement of the Parties, are incorporated herein by reference and shall constitute part of this Agreement as if fully set forth herein. This Agreement shall be construed and/or interpreted wherever possible to avoid conflict between the provisions hereof and the Attachments, Schedules or Exhibits hereto. If any provision contained in this main body of the Agreement and any Attachment, Schedule or Exhibit hereto cannot be reasonably construed or interpreted to avoid conflict, the provision contained in this main body of the Agreement shall prevail.

2.3 Each Party hereby incorporates by reference those provisions of its Tariffs that govern the provision of any of the services or facilities provided hereunder. Subject to the terms set forth in Section 20 regarding rates and charges, to the extent any provision of this Agreement and an applicable Tariff cannot be reasonably construed or interpreted to avoid conflict, the provision contained in this Agreement (including without limitation its Attachments, Exhibits and Schedules) shall prevail. In those instances where the Tariff and the Agreement address the same subject matter and there is no conflict, the more specific provisions shall prevail over the more general. The fact that a condition, right, obligation, or other term appears in this Agreement but not in any such Tariff or in such Tariff but not in this Agreement, shall not be interpreted as, or be deemed grounds for finding, a conflict for purposes of this Section 2.

2.4 Other Definitional Provisions. The terms defined in this Agreement include the plural as well as the singular. Unless otherwise expressly stated, the words "herein", "hereof", "hereunder", and other words of similar import refer to this

Agreement as a whole. The words "include" and "including" shall not be construed as terms of limitation. The word "day" or "days" shall mean calendar day(s) unless otherwise designated.

3.0 SCOPE

This Agreement sets forth the terms, conditions and prices under which AT&T and Verizon will offer and provide to each other within each LATA in which the Parties operate in Virginia Interconnection of their respective networks and services, as applicable, related to such Interconnection, for their respective use in providing Telephone Exchange Services. Additionally, this Agreement sets forth the terms, conditions, and prices that Verizon will provide within each LATA in which it operates in Virginia access to unbundled Network Elements and Resold Services (as defined in Section 12) and ancillary services related thereto consistent with both Parties' rights and obligations to the extent required by Applicable Law.

Notwithstanding any other provision of this Agreement, with respect to Verizon Virginia, the scope of this Agreement shall include only the service territory of Verizon Virginia's predecessor company prior to June 30, 2000 (i.e., Bell Atlantic – Virginia, Inc.).

4.0 INTERCONNECTION PURSUANT TO SECTION 251(C)(2)

The types of Traffic to be exchanged under this Agreement shall be Reciprocal Compensation Traffic, Measured Internet Traffic, IntraLATA Toll (and InterLATA Toll, as applicable) Traffic, Tandem Transit Traffic, Meet Point Billing Traffic, and Ancillary Traffic. Subject to the terms and conditions of this Agreement, Interconnection of the Parties' facilities and equipment pursuant to this Section 4.0 for the transmission and routing of Telephone Exchange Service traffic and Exchange Access traffic shall be established in accordance with Sections 4.2 and 4.3 below.

4.1 Scope

4.1.1 Section 4 describes the architecture for Interconnection of the Parties' facilities and equipment over which the Parties shall configure the following separate and distinct trunk groups:

> Traffic Exchange Trunks for the transmission and routing of terminating Reciprocal Compensation Traffic, Tandem Transit Traffic, translated LEC IntraLATA toll free service access code (e.g., 800/888/877) (hereinafter, 8YY) traffic, IntraLATA Toll Traffic, and, where agreed to between the Parties and as set forth in Subsection 4.2.10 below, InterLATA Toll Traffic between their respective Telephone Exchange Service Customers pursuant to Section 251(c)(2) of the Act, and, Measured Internet Traffic, all in accordance with Section 5 below;

Access Toll Connecting Trunks for the transmission and routing of Exchange Access traffic, including translated interLATA 8YY traffic, between AT&T Telephone Exchange Service Customers and purchasers of Switched Exchange Access Service via a Verizon access Tandem, pursuant to Section 251(c)(2) of the Act, in accordance with Section 6 below;

Untranslated 8YY Access Toll Connecting Trunks for the transmission and routing of untranslated 8YY traffic from AT&T Telephone Exchange Service Customers to a single Verizon access Tandem as designated by Verizon for translation in accordance with Section 6 below;

Information Services Trunks for the transmission and routing of terminating Information Services Traffic in accordance with Section 7 below;

911/E911 Trunks for the transmission and routing of terminating E911/911 traffic, in accordance with Section 7 below; and

Other types of trunk groups may be used by the Parties as provided in other Sections of this Agreement or in other separate agreements between the Parties (e.g., Directory Assistance Trunks, Operator Services Trunks, BLV/BLVI Trunks).

4.1.2 Points of Interconnection. As and to the extent required by Section 251 of the Act, the Parties shall provide Interconnection of their networks at any technically feasible point, as described in Section 4.2. To the extent the originating Party's Point of Interconnection ("POI") is not located at the receiving Party's relevant Interconnection Point ("IP"), the originating Party is responsible for transporting its traffic from its POI to the receiving Party's relevant IP.

4.1.3 Reciprocal Compensation Traffic Interconnection Points. Each Party is responsible for delivering its Reciprocal Compensation Traffic that is to be terminated by the other Party to the other Party's relevant IP. The originating Party will be responsible for providing transport on its side of the other Party's IP and the terminating party will be responsible for providing transport on its side of its IP, and the cost of such transport will be recovered through reciprocal compensation.

4.1.3.1 In the case of Verizon as the receiving Party for Reciprocal Compensation Traffic delivered by AT&T to Verizon, the geographically-relevant Verizon-IP shall be either:

(i) the Verizon Tandem subtended by the terminating End Office serving the Verizon Customer; or

(ii) the Verizon End Office serving the Verizon Customer.

4.1.3.2 In the case of AT&T as the receiving Party, Verizon may request, and AT&T will then establish, geographically-relevant IPs by establishing an AT&T-IP at a collocation site at each Verizon Tandem in a LATA (or, in the case of a single Tandem LATA, at each Verizon End Office Host; or, in the case of a LATA with no Verizon Tandem, at such other Verizon Wire Center as determined by Verizon) for those (AT&T) NPA-NXX's serving equivalent Verizon Rate Centers which subtend the Verizon Tandem (or, in the case of a single Tandem LATA, at each Verizon End Office Host; or, in the case of a LATA with no Verizon Tandem, at such other Verizon Wire Center as determined by Verizon); provided, however, if Collocation is not available at a particular Verizon Tandem, End Office Host or such other Verizon Wire Center chosen by Verizon, the Parties will negotiate a mutually acceptable AT&T-IP in such case. AT&T shall identify its IPs in writing pursuant to Section 4.4. If AT&T fails to establish a geographically relevant IP as provided herein within a commercially reasonable timeframe, then AT&T shall bill and Verizon shall pay only the Local Call Termination End Office rate as set forth in Exhibit A, less Verizon's monthly recurring rate for unbundled Dedicated Transport from Verizon's originating End Office to the AT&T-IP (for traffic to the relevant NPA-NXX).

4.1.3.3 Should either Party offer additional IPs to any Telecommunications Carrier that is not a Party to this Agreement, the other Party may elect to deliver traffic to such IPs for the NPA-NXXs served by those IPs. To the extent that any such AT&T-IP is not located at a Collocation site at a Verizon Tandem (or Verizon End Office Host) or other Verizon End Office, then AT&T shall permit Verizon to establish physical Interconnection at the AT&T-IP, to the extent such physical Interconnection is technically feasible.

4.1.3.4 At any time that AT&T establishes a Collocation site at a Verizon End Office, then either Party may request that such AT&T Collocation site be established as the AT&T-IP for traffic originated by Verizon Customers served by that End Office.

4.1.3.4.1 In the case of Verizon making such request to AT&T, AT&T's obligation to establish an IP at an AT&T Collocation site at a Verizon End Office shall be limited to no more than one (1) such AT&T Collocation site within a given local calling area or non-optional Extended Local Calling Scope Arrangement as such areas are defined in Verizon's effective Customer tariffs, or, if the Commission has defined local calling areas applicable to all LECs, then as so defined by the Commission. Such request shall be negotiated pursuant to the Joint Grooming Plan process, and approval shall not be unreasonably withheld or delayed. To the extent that the Parties have already implemented network Interconnection in a LATA at a point that is not geographically relevant (as that term is described above) or another AT&T-IP, then upon Verizon's request for a geographically relevant AT&T-IP at such End Office Collocation, the Parties shall negotiate a mutually-acceptable transition process and schedule to implement the requested geographically-relevant IPs. If AT&T should fail to establish an IP at an End Office Collocation site pursuant to Verizon's request, or if the Parties have been unable to agree upon a schedule for completing a transition from existing arrangements to geographically-relevant AT&T-IPs or to an End Office Collocation site

AT&T-IP within sixty (60) days following Verizon's request, AT&T shall bill and Verizon shall pay the applicable Local Call Termination End Office rate for the relevant NPA-NXX, as set forth in Exhibit A, less Verizon's monthly recurring rate for unbundled Dedicated Transport from Verizon's originating End Office to the AT&T-IP.

4.1.4 Transition To New POI Arrangements. For transition to new POI arrangements pursuant to Section 4.1.3 the Parties may, upon mutual agreement, convert the existing affected Interconnection arrangements and trunks in accordance with the following:

4.1.4.1 The Parties will mutually develop a transition plan for each LATA that will specify: (1) AT&T's IPs; (2) to the extent known at that time, each Party's plans for deploying new Interconnection facilities (e.g., build or lease); (3) each Party's POI (4) the sequence and timeframes for the transition of existing Interconnection arrangements to the new Interconnection arrangement; and (5) any special ordering and implementation procedures to be used for such transition.

4.1.4.2 AT&T shall not charge Verizon any non-recurring or other one-time charges to transition Interconnection arrangements and trunks from the existing Verizon POI to the new Verizon POI.

4.1.5 The Parties will mutually agree upon where one way Traffic Exchange Trunks (trunks with traffic going in one direction, including one-way trunks and uni-directional two-way trunks) and/or two way Traffic Exchange Trunks (trunks with traffic going in both directions) will be deployed. To the extent the Parties agree to deploy one way trunk groups, the Parties shall configure separate one-way or two-way (with traffic going in one direction) trunk groups for those trunk types described in Subsection 4.1.1 above and provision and maintain such one way trunk groups in accordance with Section 10 of this Agreement. The Parties agree that Access Toll Connecting Trunks shall be two way trunks. If the Parties agree to deploy two way trunks for Traffic Exchange Trunks the Parties shall amend this Agreement to provide mutually agreed upon terms and conditions governing such two-way trunks.

4.2 Interconnection Methods

4.2.1 AT&T may specify any of the following methods for its originating traffic for Interconnection with Verizon:

4.2.1.1 A Collocation node AT&T has established at a Verizon Wire Center pursuant to Section 13 of this Agreement; and/or

4.2.1.2 A Collocation node that has been established separately at a Verizon Wire Center by a third party with whom AT&T has contracted for such purposes; and/or

4.2.1.3 An Entrance Facility and transport leased from Verizon (and any necessary multiplexing) pursuant to the applicable Verizon access Tariff, from the AT&T POI to the Verizon-IP.

4.2.2 Verizon may specify any of the following methods for its originating traffic for Interconnection with AT&T:

4.2.2.1 Interconnection at a Collocation node that AT&T has established at a Verizon Wire Center pursuant to Section 13 of this Agreement; and/or

4.2.2.2 Interconnection at a Collocation node that has been established separately at a Verizon Wire Center by a third party and such third party has established facilities between the Verizon Wire Center and the AT&T IP; and/or

4.2.2.3 Via equipment Verizon places at the AT&T premises in accordance with rates, terms and conditions which the Parties shall negotiate at Verizon's request; and/or

4.2.2.4 Upon mutual agreement of the Parties, via equipment placed by a third party at the AT&T-IP under separate terms and conditions between AT&T and such third party with whom Verizon has contracted for such purposes; and/or

4.2.2.5 An Entrance Facility leased from AT&T (and any necessary multiplexing), to the AT&T-IP.

4.2.3 Each Party shall provide its own facilities or purchase necessary transport for the delivery of traffic to any Collocation node it establishes at the other Party's IP pursuant to Section 13.

4.2.4 Each Party may order from the other Party any of the Interconnection methods specified above in accordance with the rates and charges, order intervals and other terms and conditions, set forth in this Agreement, in any applicable Tariff(s), or as may be otherwise agreed to between the Parties.

4.2.5 The publication "Telcordia Technical Publication GR-342-CORE; High Capacity Digital Special Access Service, Transmission Parameter Limits and Interface Combination" describes the specification and interfaces generally utilized by Verizon and is referenced herein to assist the Parties in meeting their respective Interconnection responsibilities.

4.2.6 If, pursuant to Section 4.1.4, a Party elects to provision its own one way trunks, that Party will be responsible for the expense of providing such trunks for the delivery of Reciprocal Compensation Traffic and IntraLATA toll traffic to the other Party's IP.

4.2.7 AT&T shall charge Verizon no more than a non-distance sensitive Entrance Facility charge as provided in Exhibit A for the transport of traffic from a Verizon POI to an AT&T-IP in any given LATA.

4.2.8 In the event the traffic volume between a receiving Party's End Office and the originating Party's POI, which is carried by a Tandem-routed Tandem Traffic Exchange Trunk group, exceeds the CCS busy hour equivalent of one (1) DS-1 at

any time and/or 200,000 combined minutes of use for a single month the originating Party shall promptly establish new End Office one-way Traffic Exchange Trunk groups between the receiving Party's End Office and the originating Party's POI. For purposes of this paragraph, Verizon shall satisfy its End Office trunking obligations by handing off traffic to an AT&T-IP.

4.2.9 Upon mutual agreement of the Parties and where Verizon's existing billing systems currently support the billing of Reciprocal Compensation Traffic over Feature Group D trunks carrying Switched Exchange Access Service, AT&T may combine its originating Reciprocal Compensation Traffic and IntraLATA Toll Traffic with Switched Exchange Access Service traffic on Feature Group D trunks. AT&T shall report to Verizon all factors necessary for proper billing of such combined traffic. Such reporting requirements are provided in 5.6 of this Agreement.

4.2.10 Under any of the architectures and methods of Interconnection described in this Section 4 and subject to mutual agreement between the Parties, either Party may utilize the Traffic Exchange Trunks for the termination of InterLATA Toll Traffic in accordance with the terms contained in Section 5 and pursuant to the other Party's Switched Exchange Access Service Tariffs. The other Party's Switched Exchange Access Service rates shall apply to such facilities.

4.3 Mid-Span Fiber Meets

4.3.1 In addition to the foregoing methods of Interconnection, and subject to mutual agreement of the Parties, the Parties may agree to establish a Mid-Span Fiber Meet arrangement in accordance with the terms of this Section 4.3 which may include a SONET backbone with either an electrical interface at the DS-3 level or an optical interface at the OC-n level in accordance with the terms of this Section. To the extent the Parties mutually agree to establish a Mid-Span Fiber Meet arrangement that utilizes a SONET backbone with an optical interface, the Fiber Distribution Frame at the AT&T location shall be designated as the POI for both Parties.

4.3.2 The establishment of any Mid-Span Fiber Meet arrangement is expressly conditioned upon the Parties' reaching prior agreement on routing, appropriate sizing and forecasting, equipment, ordering, provisioning, maintenance, repair, testing, augmentation, and compensation procedures and arrangements, reasonable distance limitations, the types of traffic carried via such Mid-Span Fiber Meet arrangement and on any other arrangements necessary to implement the Mid-Span Fiber Meet arrangement.

4.4 Other Interconnection Methods

In addition to the interconnection methods already set forth in this Section 4, the Parties may agree to other interconnection methods, and in addition, the Parties shall interconnect via other interconnection methods, if any, that are required under Applicable Law.

4.5 Interconnection in Additional LATAs

4.5.1 If AT&T determines to offer Telephone Exchange Services and to interconnect with Verizon in any LATA in which Verizon also offers Telephone Exchange Services and in which the Parties are not already interconnected pursuant to this Agreement, AT&T shall provide written notice to Verizon of the need to establish Interconnection in such LATA pursuant to this Agreement.

4.5.2 The notice provided in Section 4.5.1 shall include (a) the initial Rating Point(s) AT&T has designated in the new LATA; (b) the applicable AT&T-IPs to be established in the relevant LATA in accordance with this Agreement; (c) AT&T's intended Interconnection activation date and (d) a forecast of AT&T's trunking requirements conforming to Section 10.3. Within ten (10) business days of Verizon's receipt of AT&T's notice provided for in Section 4.5.1, Verizon and AT&T shall confirm the Verizon-IP(s), the AT&T-IP(s) and the Interconnection activation date for the new LATA.

4.5.3 The Interconnection activation date in a new LATA shall be mutually agreed to by the Parties after receipt by Verizon of all necessary information. Except as otherwise provided in Section 4.3 or unless otherwise agreed to by the Parties, such Interconnection activation date shall not be earlier than sixty (60) days, and not later than one hundred eighty (180) days, after receipt by Verizon of all necessary information. This subsection 4.5.3 shall not apply to Mid-Span Fiber Meet arrangements set forth in Section 4.3.

5.0 TRANSMISSION AND ROUTING OF TELEPHONE EXCHANGE SERVICE TRAFFIC PURSUANT TO SECTION 251(C)(2) AND CALL DETAIL

5.1 Scope of Traffic

Section 5 prescribes parameters for trunk groups (the "Traffic Exchange Trunks") used for Interconnection pursuant to Section 4 for the transmission and routing of Reciprocal Compensation Traffic, Measured Internet Traffic, Transit Traffic, translated LEC IntraLATA 8YY Traffic, InterLATA Toll Traffic (to the extent applicable), and IntraLATA Toll Traffic between the Parties' respective Telephone Exchange Service Customers.

5.2 Trunk Group Connections and Ordering

5.2.1 Traffic Exchange Trunk group connections will be made at a DS-1 or DS-3 level. Higher speed connections shall be made, when and where available, in accordance with the Joint Implementation and Grooming Process prescribed in Section 10. When Traffic Exchange Trunks are provisioned using a DS-3 interface facility, AT&T shall order the multiplexed DS-3 facilities to the Verizon Central Office that is designated in the NECA 4 Tariff as an Intermediate Hub location, unless otherwise agreed to in writing by Verizon. Ancillary Traffic trunk groups may be made below a DS-1 level, as may be mutually agreed to by both Parties.

5.2.2 Each Party will identify its Carrier Identification Code, a three or four digit numeric obtained from Telecordia, to the other Party when ordering a trunk group.

5.2.3 Unless mutually agreed to by both Parties, each Party will outpulse ten (10) digits to the other Party. The Parties shall use GR-394-CORE format for IXC-bound calls and use GR-317-CORE format for LEC-bound calls.

5.2.4 Each Party will use commercially reasonable efforts to monitor its trunk groups and to augment those groups using generally accepted trunk engineering standards so as to not exceed blocking objectives. Each Party agrees to use modular trunk engineering techniques for trunks subject to this Agreement, with the exception of (a) E911/911 trunks; (b) BLV/BLVI trunks; and any other trunk types as mutually agreed to by the Parties.

5.3 Additional Switching System Hierarchy and Trunking Requirements

For purposes of routing traffic to the other Party, both Parties agree to use the Local Exchange Routing Guide (LERG).

5.4 Signaling

Each Party will provide the other Party with signaling necessary for the routing and completion of the other Party's traffic in accordance with the provisions contained in Section 17 below.

5.5 Grades of Service

Each Party shall engineer and shall monitor and service all trunk groups under its control consistent with the Joint Implementation and Grooming Process as set forth in Section 10.

5.6 Measurement and Billing (excluding Meet Point Billing)

5.6.1 Terms and Conditions for Meet Point Billing are addressed in Section 6 only.

5.6.2 Except as otherwise provided in this Agreement, each Party will bill and record in accordance with this Agreement those charges the other Party incurs as a result of purchasing Network Elements, Combinations, Interconnection, Reciprocal Compensation charges, and Resold Services as set forth in this Agreement, as applicable. With respect to each bill rendered by Verizon to AT&T, such bill shall be consistent with (i) the terms of the agreement entered into by Verizon and others (including AT&T) on August 20, 1999 in settlement of *MCI Worldcom, Inc. and AT&T Corp. v. Bell Atlantic Corp.*, FCC File No. EAD-99-00003 ("Settlement Agreement"), as may be amended from time to time, and any collaborative proceedings or arbitrated decisions arising from that Settlement Agreement; and (ii) the provisions of the Application of GTE Corporation, Transferor and Bell Atlantic Corporation, Transferee, Memorandum

Opinion and Order, Appendix D, CC Docket no. 98-184, FCC 00-221 (rel. June 16, 2000)("Merger Conditions"). Notwithstanding any other provision of this Agreement, if any provision contained in this Section 5.6. (and/or Schedule 5.6 of this Agreement) conflicts with any term or condition of the Merger Conditions or otherwise would require Verizon, prior to the time period contained in the Merger Conditions or in a manner inconsistent with the Merger Conditions, to implement any Verizon OSS process, interface, or business rule, including but not limited to the Change Management Process, or any Verizon OSS Services as those terms are defined in this Agreement, the term or condition contained in the Merger Conditions shall prevail. If any provision contained in this Section 5.6 (and/or Schedule 5.6 of this Agreement) and any provision of the Settlement Agreement as may be amended from time to time, and any collaborative proceedings or arbitrated decisions arising from that Settlement Agreement cannot be reasonably construed or interpreted to avoid conflict, the terms of the Settlement Agreement shall prevail. Conflicts among this Section 5.6 (and/or Schedule 5.6 of this Agreement), the Settlement Agreement, and the Merger Conditions shall be resolved in accordance with the following order of precedence, where the document identified in subsection "(a)" shall have the highest precedence: (a) the Settlement Agreement; (b) the Merger Conditions; and (c) this Section 5.6 (and/or Schedule 5.6 of this Agreement).

5.6.3 Bills will be provided by each Party on a monthly basis and shall include: (a) all non-usage sensitive charges incurred for the period beginning with the current bill date and extending up to, but not including, the next bill date, (b) any known unbilled non-usage sensitive charges for prior periods, (c) unbilled usage sensitive charges for the period beginning with the last bill date and extending up to, but not including, the current bill date, (d) any known unbilled usage sensitive charges for prior periods, and (e) any known unbilled adjustments. A CSR (Customer Service Record) will automatically be included with each monthly Verizon bill for each applicable Billing Account Number (BAN). The CSR is an inventory of recurring network elements and/or Resold Services provided to the CLEC and, in addition to other information, includes for each such recurring network element and/or Resold Service the quantity, the Universal Service Order Code (USOC), description and monthly recurring charge.

5.6.4 The Bill Date, as defined in Schedule 5.6, must be present on each bill transmitted by the billing Party.

5.6.5 Each Party shall provide the other Party at no additional charge applicable contact numbers for the handling of any billing questions or problems that may arise during the implementation and performance of the terms and conditions of this Section and Schedule 5.6.

5.6.6 For billing purposes, each Party shall pass Calling Party Number ("CPN") information on each call carried over the Traffic Exchange Trunks.

5.6.6.1 As used in this Section 5.6.6, "Traffic Rate" means the applicable Reciprocal Compensation Traffic rate, Measured Internet Traffic rate, intrastate Switched Exchange Access Service rate, interstate Switched Exchange Access Service rate, or intrastate/interstate Tandem Transit Traffic rate, as provided in Exhibit A,

an applicable Tariff, or, for Measured Internet Traffic, the FCC Internet Order.

5.6.6.2 If the originating Party passes CPN on ninety percent (90%) or more of its calls, the receiving Party shall bill the originating Party the Traffic Rate applicable to each relevant minute of traffic for which CPN is passed. For the remaining (up to ten percent (10%)) calls without CPN information, the receiving Party shall bill the originating Party for such traffic at the Traffic Rate applicable to each relevant minute of traffic in direct proportion to the minutes of use of calls passed with CPN information.

5.6.6.3 If the originating Party passes CPN on less than ninety percent (90%) of its calls, the receiving Party shall bill the higher of its intrastate Switched Exchange Access Service rates or its interstate Switched Exchange Access Service rates for that traffic passed without CPN which exceeds ten percent (10%), unless the Parties mutually agree that such other rates should apply to such traffic. For any remaining (up to ten percent (10%)) calls without CPN information, the receiving Party shall bill the originating Party for such traffic at the Traffic Rate applicable to each relevant minute of traffic, in direct proportion to the minutes of use of calls passed with CPN information.

5.6.7 At such time as a receiving Party has the capability, on an automated basis, to use such CPN information to classify traffic delivered by the other Party by Traffic Rate type (e.g., Reciprocal Compensation Traffic/Measured Internet Traffic, intrastate Switched Exchange Access Service, interstate Switched Exchange Access Service, or intrastate/interstate Tandem Transit Traffic), such receiving Party shall bill the originating Party the Traffic Rate applicable to each relevant minute of Traffic for which CPN is passed. If the receiving Party lacks the capability to use CPN information to classify, on an automated basis, traffic delivered by the other Party by Traffic Type, the originating Party will supply an auditable Traffic Factor 1 and Traffic Factor 2 on a quarterly basis, based on the previous three months' traffic, and applicable to the following three months. Traffic Factor 1 and Traffic Factor 2 applicable upon the Effective Date are specified in Schedule 5.6.7. Such factors may be updated by the originating Party quarterly by written notification.

5.6.8 Measurement of billing minutes for purposes of determining terminating compensation shall be in conversation seconds. Measurement of billing minutes for originating toll free service access code (e.g., 8YY) calls shall be in accordance with applicable tariffs. Determinations as to whether traffic is Reciprocal Compensation Traffic or Measured Internet Traffic shall be made in accordance with Section 5.7.4 below.

5.7 Reciprocal Compensation Arrangements -- Section 251(b)(5)

5.7.1 Reciprocal Compensation arrangements address the transport and termination of Reciprocal Compensation Traffic over the terminating carrier's switch in accordance with Section 251 (b)(5) of the Act. Verizon's delivery of Reciprocal Compensation Traffic to AT&T that originates with a third party carrier is addressed in

Section 7.2. Where AT&T delivers any traffic originating with a third party carrier to Verizon, except as may be set forth herein or subsequently agreed to by the Parties, AT&T shall pay Verizon the same amount that such third party carrier would have paid Verizon for termination of that traffic at the location the traffic is delivered to Verizon by AT&T. Compensation for the transport and termination of traffic not specifically addressed in this Section 5.7 shall be as provided elsewhere in this Agreement, or, if not so provided, as required by the Tariffs of the Party transporting and/or terminating the traffic.

5.7.2 Nothing in this Agreement shall be construed to limit either Party's ability to designate the areas within which that Party's Customers may make calls which that Party rates as "local" in its Customer Tariffs.

5.7.3 The Parties shall compensate each other for the transport and termination of Reciprocal Compensation Traffic delivered to the terminating Party in accordance with Section 251(b)(5) of the Act at the rates provided in the Detailed Schedule of Itemized Charges (Exhibit A hereto), as may be amended from time to time in accordance with Exhibit A and Section 20 or, if not set forth therein, in the applicable Tariff(s) of the terminating Party, as the case may be. These rates are to be applied at the AT&T-IP for traffic delivered by Verizon, and at the Verizon-IP for traffic delivered by AT&T. Except as expressly specified in this Agreement, no additional charges, including port or transport charges, shall apply for the termination of Reciprocal Compensation Traffic delivered to the Verizon-IP or the AT&T-IP by the other Party. When Reciprocal Compensation Traffic is terminated over the same trunks as Toll Traffic, any port or transport or other applicable access charges related to the delivery of Toll Traffic from the IP to an end user shall be prorated to be applied only to the Toll Traffic. The designation of traffic as Reciprocal Compensation Traffic for purposes of Reciprocal Compensation shall be based on the actual originating and terminating points of the complete end-to-end communication.

5.7.3.1 The Reciprocal Compensation charges (including, but not limited to, the Reciprocal Compensation per minute of use charges) billed by AT&T to Verizon shall not exceed the Reciprocal Compensation charges (including, but not limited to, Reciprocal Compensation per minute of use charges) billed by Verizon to AT&T.

5.7.4 Reciprocal Compensation shall not apply to Measured Internet Traffic. The determination of whether traffic is Reciprocal Compensation Traffic or Measured Internet Traffic shall be performed in accordance with Paragraphs 8 and 79, and other applicable provisions, of the FCC Internet Order (including, but not limited to, in accordance with the rebuttable presumption established by the FCC Internet Order that traffic delivered to a carrier that exceeds a 3:1 ratio of terminating to originating traffic is Measured Internet Traffic, and in accordance with the process established by the FCC Internet Order for rebutting such presumption before the Commission).**5.7.5**

Transport and termination of the following types of traffic shall not be subject to the Reciprocal Compensation arrangements set forth in this Section 5.7, but instead shall be treated as described or referenced below:

5.7.5.1 No Reciprocal Compensation shall apply to special access, private line, or any other traffic that is not switched by the terminating Party.

5.7.5.2 IntraLATA intrastate alternate-billed calls (e.g., collect, calling card, and third-party billed calls originated or authorized by the Parties' respective Customers in Virginia) shall be treated in accordance with an arrangement mutually agreed to by the Parties.

5.7.5.3 Switched Exchange Access Service and InterLATA or IntraLATA Toll Traffic shall continue to be governed by the terms and conditions of the applicable federal and state Tariffs and, where applicable, by a Meet-Point Billing arrangement in accordance with Section 6.3.

5.7.5.3.1 At such time that the Parties reach agreement upon a mutually acceptable settlement process, the originating Party will receive a credit for reciprocal compensation in those instances:

(i) where IntraLATA 8YY Toll Traffic calls are translated by the originating Party prior to delivery by that Party of such traffic to the terminating Party, and

(ii) where the terminating Party bills the originating Party Reciprocal Compensation in error for such IntraLATA 8YY Toll Traffic; and

(iii) where the originating Party provides appropriate records to the terminating Party to substantiate each request for credit.

Subsequent to the Effective Date of this Agreement, the Parties shall negotiate a mutually acceptable settlement process for reciprocal compensation credits in accordance with this Section 5.7.7.3.1.

5.7.5.4 Reciprocal Compensation shall not apply to Optional Extended Local Calling Area Traffic.

5.7.5.5 Reciprocal Compensation shall not apply to Tandem Transit Traffic.

5.7.5.6 Reciprocal Compensation shall not apply to Voice Information Service Traffic (as defined in this Agreement).

5.7.6 Other Types of Traffic

5.7.6.1 Notwithstanding any other provision of this Agreement or any Tariff: (a) the Parties' rights and obligations with respect to any intercarrier

compensation that may be due in connection with their exchange of Measured Internet Traffic shall be governed by the terms of the FCC Internet Order and other applicable FCC orders and FCC Regulations; and, (b) a Party shall not be obligated to pay any intercarrier compensation for Measured Internet Traffic that is in excess of the intercarrier compensation for Measured Internet Traffic that such Party is required to pay under the FCC Internet Order and other applicable FCC orders and FCC Regulations.

5.7.6.2 Interconnection Points

5.7.6.2.1 The IP of a Party ("Receiving Party") for Measured Internet Traffic delivered to the Receiving Party by the other Party shall be the same as the IP of the Receiving Party for Reciprocal Compensation Traffic under Section 4.1.3 above.

5.7.6.2.2 Except as otherwise set forth in the applicable Tariff of a Party ("Receiving Party") that receives Toll Traffic from the other Party, the IP of the Receiving Party for Toll Traffic delivered to the Receiving Party by the other Party shall be the same as the IP of the Receiving Party for Reciprocal Compensation Traffic under Section 4.1.3 above.

5.7.6.2.3 The IP for traffic exchanged between the Parties that is not Reciprocal Compensation Traffic, Measured Internet Traffic or Toll Traffic, shall be as specified in the applicable provisions of this Agreement or the applicable Tariff of the receiving Party, or in the absence of applicable provisions in this Agreement or a Tariff of the receiving Party, as mutually agreed by the Parties.

5.7.7 Each Party reserves the right to audit all Traffic, up to a maximum of two audits per calendar year, to ensure that proper rates are being applied appropriately, provided, however, that either Party shall have the right to conduct additional audit(s) if the preceding audit disclosed material errors or discrepancies. Each Party agrees to provide the necessary Traffic data in conjunction with any such audit in a timely manner. Except as otherwise provided herein, audits shall be conducted pursuant to Section 28.10.

5.8 Call Detail

5.8.1 Verizon will provide Call Detail Information originating from AT&T customers using certain Verizon Network Elements or Verizon Telecommunications Services with no rounding of billable time on unrated usage to full minutes. Call Detail Information generally includes, but is not limited to, the following categories of information where Verizon currently records such data in the ordinary course of its business: (i) completed calls, including 8YY calls and alternately billed calls; (ii) calls to directory assistance; and (iii) calls to and completed by Operator Services where Verizon provides such service to an AT&T Customer.

5.8.2 These records shall be transmitted to the other Party daily, Monday through Friday, except holidays observed by either Party's data centers. These records